

January 19, 2007

Christopher J. Ward, Treasurer National Republican Congressional Committee 320 First Street Washington, DC 20003

Response Due Date: February 20, 2007

Identification Number: C00075820

Reference: Amended 12 Day Pre-General Report (10/1/06-10/18/06), received

11/2/06

Dear Mr. Ward:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. This notice requests information essential to full public disclosure of your federal election campaign finances. An adequate response must be received at the Commission by the response date noted above. An itemization of the information needed follows:

-Schedule A of your report (see attached) discloses one or more contributions which appear to exceed the limits set forth in the Act. 2 U.S.C. §441a(f) and 11 CFR §110.1(c) prohibit a political committee which is established and maintained by a national political party, and any affiliated committees, from accepting contributions from a person or non-multicandidate political committee in excess of \$26,700 in a calendar year.

If any apparently excessive contribution in question was incompletely or incorrectly disclosed, you should amend your original report with the clarifying information.

If any contribution you received exceeds the limits, you may have to refund the excessive amount. The funds can be retained if within 60 days of receipt, (1) the excessive amount was properly reattributed to another person, such as a joint account holder, by obtaining signed written authorizations from each person making the contribution pursuant to 11 CFR 110.1(k)(3), and (2) the treasurer informs the person making the contribution that he or she may request the return of the excessive portion of the contribution if it is not intended to be a joint contribution. Any request from a donor for a refund must be honored.

Alternatively, the funds can be retained if within 60 days of receipt you (1) transferred the excessive amount to an account not used to influence federal elections, and (2) provided written notice to the person making the contribution of the option of receiving a refund. Any request from a donor for a refund must be honored.

If the foregoing conditions for reattributions or transfers to a non-federal account were not met within 60 days of receipt, the excessive amount must be refunded.

Please inform the Commission of your corrective action immediately in writing and provide a photocopy of your check for the transfer-out or refund. In addition, any reattributions should be reported as memo entries on Schedule A of the report covering the period during which the authorization for the reattribution is received. Any transfers-out or refunds should be disclosed on Schedule B supporting Line 22 or 28 of the report covering the period during which the transaction was made.

Although the Commission may take further legal action regarding the acceptance of an excessive contribution(s), prompt action by your committee to seek reattribution, transfer-out or refund the excessive amount will be taken into consideration.

-Schedule A supporting Line 15 of your report discloses a payment(s) from a federal candidate committee(s) for goods and/or services provided by your committee. 11 CFR §100.52(d)(1) states that "...the provision of any goods or services without charge or at a charge which is less than the usual and normal charge for such goods or services is a contribution." Examples of goods and services include equipment, supplies, personnel, membership lists and mailing lists. The term "usual and normal charge" for goods is defined as "...the price of those goods in the market from which they ordinarily would have been purchased at the time of the contribution". The usual and normal charge for services is defined as "...the hourly or piecework charge for the services at a commercially reasonable rate prevailing at the time the services were rendered." 11 CFR §100.52(d)(2)

Please clarify whether your committee assessed the usual and normal charge for the goods and/or services you provided to the federal candidate committee(s) and explain the steps your committee took in determining the amount(s) charged. If your committee provided the goods and/or services at less than the usual and normal charge, the difference between the two is considered to be an in-kind contribution by your committee to the federal candidate committee(s) and is subject to the limits set forth at 2 U.S.C. §441a. (11 CFR §100.52(d)(1))

-Schedule E discloses independent expenditures on behalf of federal candidates. Schedule B of this report disclosed in-kind contributions on behalf of some of these same candidates. Under 2 U.S.C. §431(17), an "independent expenditure" is defined as:

... an expenditure by a person expressly advocating the election or defeat of a clearly identified candidate; and that is not made in concert or cooperation with or at the request or suggestion of such candidate, the candidate's authorized committee, or their agents, or a political party committee or its agents.

Further, 11 CFR §109.21 outlines the factors which define a coordinated communication. Please verify that the independent expenditures made by your Committee in support of Joe Negron, Jeffrey Lamberti, John E. Sweeney, and S. David McSweeney meet the definition of and were properly categorized as independent expenditures. If necessary, amend your reports to disclose the aforementioned transactions as in-kind contributions (Schedule B supporting Line 23 of the Detailed Summary Page).

If the reclassification of these expenditures as in-kind contributions results in excessive contributions, the Commission recommends that you notify the candidate(s) and request a refund of the amount in excess of \$5,000 per election. Please inform the Commission immediately of any corrective action in writing and provide a photocopy of your refund request(s) sent to the candidate(s). In addition, any refunds should be disclosed on Schedule A supporting Line 16 of the report covering the period during which they are received.

-Schedule E of your report discloses Calendar Year-To-Date per Election for Office Sought totals for several elections which appear to be incorrect (see attached). These figures are calculated by aggregating the total amount expended during the calendar year, per election, per office sought. Please amend your report to clarify these discrepancies.

Please note, you will not receive an additional notice from the Commission on this matter. Adequate responses received on or before this date will be taken into consideration in determining whether audit action will be initiated. Requests for extensions of time in which to respond will not be considered. Failure to provide an adequate response by this date may result in an audit of the committee. Failure to comply with the provisions of the Act may also result in an enforcement action against the committee. Any response submitted by your committee will be placed on the public record and will be considered by the Commission prior to taking enforcement action.

Electronic filers must file amendments (to include statements, designations and reports) in an electronic format and must submit an amended report in its entirety, rather than just those portions of the report that are being amended. If you should have any questions regarding this matter or wish to verify the adequacy of your response, please contact me on our toll-free number (800) 424-9530 (at the prompt press 5 to reach the Reports Analysis Division) or my local number (202) 694-1143.

Sincerely,

Jennifer Thangavelu

Senior Campaign Finance Analyst

Reports Analysis Division

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## Excessive Contribution from an Individual

Contributor Name	Date	Amount	Report
	1		Amended 2006 April Monthly,
Mr. Eugene M. Isenberg	3/23/06	\$10,000.00	received 10/10/06
			Amended 2006 July Monthly,
Mr. Eugene M. Isenberg	6/26/06	\$10,000.00	received 10/16/06
		-	Amended 2006 12 Day Pre-
Mr. Eugene M. Isenberg	10/11/06	\$10,000.00	General, received 11/2/06

## Calendar Year-to-Date per Election for Office Sought Totals (Schedule E)

Election	FEC Calculation
2006 AZ District 05 General	\$862,343.45
2006 CA District 50 General	\$231,462.80
2006 CO District 04 General	\$995,143.70
2006 FL District 22 General	\$1,788,679.91
2006 IA District 01 General	\$1,588,567.22
2006 IA District 03 General	\$555,472.73
2006 MN District 06 General	\$1,498,743.23
2006 NV District 03 General	\$20,346.20
2006 NY District 20 General	\$162,326.89
2006 NY District 24 General	\$1,191,926.60
2006 OH District 06 General	\$24,510.00
2006 VT District 00 General	\$385,592.53
2006 WA District 08 General	\$1,285,487.01
2006 WI District 08 General	\$512,274.14
2006 WV District 01 General	\$30,555.00